

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE  
Transcriber's Office  
FLOOR DEBATE

March 28, 2002 LB 957

not initiated the need for a refund notice to go out. Well, the department thinks it's appropriate to send the refund notice out when there is to be a refund but that the notice is unnecessary if, in fact, the refund will simply be collapsed into the cost of the loan and have it be used to pay against the loan. Why? Because the customer's dollar will be going for the customer's interests either way, and so this amendment to the Installment Sales and Installment Loan Act says that those refunds, those refund notices will be used when there is to be a refund, but the notices are unnecessary if, in fact, a refund is used as an offset against what the customer owes. This clarifies that mortgage, under the Mortgage Bankers Act, that if you work for an exempt entity, for example, a locally chartered bank, that if you work for that entity, you are exempt from the Mortgage Bankers Act. It would be simply a clarification for the policy that we always intended. In the area of securities, there are employee stock options, which are exempt from our state securities registration law. Currently, we require employers to send us notice that they are exercising that exemption for their employee stock options. What we find is that a number of people don't comply; secondly, that almost no other state requires this to be done; and, third, that there is almost no evidence anywhere in the country of fraud or mismanagement that would occasion the need for this kind of oversight and so that provision is repealed, in essence, the need for a notice of an exemption to our securities registration. There are a couple of provisions which are contained in the committee amendments. I'll be happy to explain those. But those are the substantial provisions of LB 957, foremost among them the expedited procedure to be used for people who have been in the business for a significant time so that we can move along the process of what is now a pro forma arrangement but that is requiring, essentially, a ritual kind of hearing for a number of charter, charter movements, applications or branch applications that are being done across a number of financial institutions. I would close with that, and I will take up the committee amendments at the point at which the Chair deems that appropriate.

SENATOR CUDABACK: Thank you, Senator Landis. You heard the opening on LB 957. There are committee amendments. Chairman of Banking Committee, Chairman Landis, you may open on the